

Message Text

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PAGE 01 LIMA 01590 221607Z

ACTION ARA-14

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FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE 8844

INFO AMEMBASSY QUITO IMMEDIATE

AMEMBASSY SANTIAGO

AMEMBASSY CARACAS

AMCONSUL GUAYAQUIL

USCINCSO

C O N F I D E N T I A L LIMA 1590

E.O. 11652: GDS

TAGS: PBOR, PE, EC

SUBJECT: FOREIGN MINISTER JUSTIFIES PERU'S ARMAMENTS PURCHASES

REF: LIMA 1463

SUMMARY: OVER THE WEEKEND FONMIN DE LA PUENTE DEFENDED THE
GOP'S RECENT ARMS ACQUISITIONS AS "INSURANCE" AGAINST THE LOSS
OF POTENTIAL AND REAL RESOURCES IN SOUTH AND NORTH BORDER AREAS.
HIS RATIONALE FOR EXPENDITURE OF A BILLION DOLLARS ON
SOVIET ARMS SHOULD BE READ PRIMARILY IN THE LIGHT OF INCIPIENT
INTERNAL POLITICAL CRITICISM OF LARGE ARMS EXPENDITURES AND THEIR
DIRECT RELATIONSHIP TO THE PRESENT FINANCIAL CRISIS.
END SUMMARY.

1. FOREIGN MINISTER DE LA PUENTE, IN A WEEKEND VISIT TO
DEPARTMENT OF TRUJILLO, JUSTIFIED PERU'S RECENT ARMS ACQUISITIONS
AS "LIFE INSURANCE" FOR THE SURVIVAL OF PERU. HE SAID THAT THE
GOP MADE A STUDY OF THE ECONOMIC POTENTIAL OF SOUTHERN PERU --
CONFIDENTIAL

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PAGE 02 LIMA 01590 221607Z

INDUSTRY, ENERGY, MINING AND AGRICULTURE -- AND CAME TO THE
CONCLUSION THAT THE AREA IS WORTH DOLS 20 BILLION. ASSUMING THAT
NORTHERN PERU IS WORTH ABOUT THE SAME AMOUNT, ACCORDING TO DE
LA PUENTE PERU RUNS THE RISK OF LOSING TERRITORY WORTH SOME
DOLS 40 BILLION IN TWO HOURS OF MODERN WARFARE. IN ORDER TO
DEFEND THIS WEALTH, WHICH WOULD TAKE AT LEAST 50 YEARS TO
RECOVER, PERU HAS INVESTED IN ARMS OVER THE PAST SIX YEARS.

CITING A HYPOTHETICAL FIGURE OF ONE BILLION DOLLARS, ("LET US SUPPOSE, FOR EXAMPLE, ARMS EXPENDITURES IN THE AMOUNT OF ONE BILLION DOLLARS IN THE LAST SIX YEARS.") DE LA PUENTE LIKENED THE COST OF ARMS PURCHASES TO AN INSURANCE PREMIUM ON THE ORDER OF ONE TO 40, IN ORDER TO GUARANTEE PERU'S SURVIVAL AND DEFEND ITS POTENTIAL WEALTH.

2. THE FONMIN THEN WENT ON TO FURTHER JUSTIFY RECENT ARMS PURCHASES IN FAMILIAR HISTORICAL AND GEO-POLITICAL TERMS. HE SAID THAT PERU HAS THE WORST GEOPHYSICAL AND GEOPOLITICAL LOCATION IN THE HEMISPHERE, AND IS SURROUNDED BY COUNTRIES WHICH, AT DIFFERENT TIMES AND FOR VARYING REASONS, HAVE HAD INTERESTS CONTRARY TO THOSE OF PERU. HE ALSO REFERRED TO THE FACT THAT IN 1879 (THE OUTBREAK OF THE WAR WITH CHILE), PERU WAS UNARMED AND THAT THEN (AS NOW) PERU DID NOT WANT WAR. FINALLY, HE SAID THAT ALTHOUGH HAPPILY PERU IS NOW AT PEACE WITH ITS NEIGHBORS, NO ONE CAN ASSURE THE GOP THAT ARMED CONFLICT IS DEFINITELY A THING OF THE PAST.

3. COMMENT: WE INTERPRET DE LA PUENTE'S REMARKS PRIMARILY AS A GOP ATTEMPT TO NIP IN THE BUD INCIPIENT INTERNAL CRITICISM OF THE MILGOV'S ARMS PURCHASES AS A CONTRIBUTING FACTOR TO THE PERUVIAN ECONOMIC CRISIS. THE POPULAR CHRISTIAN PARTY'S (PPC) BANNER CARRIER LUIS BEDOYA REYES, IN A POLITICAL RALLY IN TACNA, CRITICIZED THE MILGOV FOR RECENT ARMS ACQUISITIONS UNDER THE GUISE OF "REPLACING OBSOLETE EQUIPMENT." INDEPENDENT
CONFIDENTIAL

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PAGE 03 LIMA 01590 221607Z

BIWEEKLY "CARETAS" FEB 13 CARRIES ITEM ON SU-22 THAT APPEARED IN DEC 16 ISSUE "STRATEGIC LATIN AMERICAN AFFAIRS" TO THE EFFECT THAT THE GOP WAS UNHAPPY WITH THE SOVIET AIRCRAFT. SECONDARILY, THE FONMIN'S REMARKS WERE PROBABLY DESIGNED TO DEMONSTRATE TO NEIGHBORING GOVERNMENTS THAT, DESPITE PERU'S DEMONSTRATED INTEREST IN REGIONAL POLITICAL COOPERATION, ECONOMIC INTEGRATION AND DEVELOPMENT, THE MILGOV REMAINS VERY KEENLY AWARE OF ITS RESPONSIBILITIES TO DEFEND ITS SOVEREIGN TERRITORY. DE LA PUENTE'S DECLARATION AND THE PROMINENT PUBLICITY GIVEN IT SHOULD THUS BE VIEWED IN THE CONTEXT OF THE FEB 11 COMMUNIQUE, WHICH INTERPRETED ECUADOREAN FONMIN'S FEB 9 SPEECH AS A "THREAT TO THE TERRITORIAL INTEGRITY OF PERU."

4. THE DEGREE TO WHICH ARMS ACQUISITION WILL BECOME A KEY INTERNAL POLITICAL ISSUE IS STILL UNCERTAIN. JUDGING BY THE WIDESPREAD AND EVIDENTLY SPONTANEOUS SUPPORT WHICH THE FEB 11 COMMUNIQUE HAS ELICITED (REFTEL), WE SUSPECT THAT A SENSE OF PATRIOTISM WILL PREVENT MOST CIVILIAN POLITICAL LEADERS FROM MAKING A MAJOR ISSUE OF THE MILGOV'S ARMAMENTS PROGRAM. WHILE WE CONSIDER THE FONMIN'S REMARKS TO BE CLARLY UNHELPFUL IN THE PRESENT PERU-ECUADOR CONTEXT, WE DO FEEL THAT IT WAS DIRECTED PRIMARILY AT INTERNAL AUDIENCES.

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